GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:326
ANSWERED ON:25.07.2000
REVIEW OF LOSSES TO COAL INDIA LIMITED
RAVINDRA KUMAR PANDEY

Will the Minister of COAL be pleased to state:

(a) whether the Government have reviewed the losses being suffered by the Coal India Limited and its ancillary companies;

(b) if so, the details thereof;

(c) the details of expenditure being incurred by the Coal India Ltd. andits anciliaries particularly by the Central Coalfields Limited on the transport, hotels, guest houses, T.A/ D.A. being paid to officers/ employees during the last three years and till date; and

(d) the details of the steps taken by the Government to cut such expenditure?

Answer

MINISTER OF STATE FOR COAL (SHRI N.T.SHANMUGAM)

(a) & (b): The Ministry of Coal reviews the physical and financial (includingprofit/loss) performance of the Central Public Sector Undertakings in coaland lignite sector every year while preparing the Annual Action Plan in respect of each of such undertakings for the next year. Coal India Limited (CIL) as awhole is earning profit continuously since 1991-92. The profit before tax of CIL as a whole is given below, year wise:-

(Rs. In crores)

Year	Profit
1998-99	1451.79
1997-98	1803.99
1996-97	1137.42
1995-96	611.44
1994-95	29.73
1993-94	400.32
1992-93	291.27
1991-92	167.07

There are eight subsidiary companies of CIL, out of which seven subsidiarycompanies are coal producing. CIL has no ancillary unit. Out of the seven coal producing subsidiaries, three namely the Eastern Coalfields Limited(ECL), Bharat Coking Coal Limited (BCCL) and Central Coalfields Limited (CCL) are suffering lossesCCL which has suffered marginalloss in 1999-2000 is expected to turn around by 2001-02. ECL and BCCL are suffering substantial losses.The proposals for turn around of ECL and BCCL are under examination. The main reasons for loss in these two companies are large surplus manpower and prevalence of high contingent of uneconomic old underground mines.

(c) In absence of ready availability of separate expenses on hotels, guest house and transportation relevant to each visits, the particulars thereof combined under the TA/DA are given below for the last three years commending from 1997-98, are given below for CIL subsidiary-wise:-

(Rs. In lakhs)

	1999-2000 (Provisional and subject to Audit)	1998-99 (Actuals as per audited annual accounts)	1997-98 (Actuals as per audited annual accounts)
ECL	251.73	284.36	329.76
BCCL	395.62	414.91	392.66
CCL	546.00	604.00	688.00
NCL	319.52	284.34	328.67
WCL	734.39	724.46	734.63
SECL	843.45	832.81	866.76
MCL	313.71	323.44	306.40
CMPDIL	198.38	221.94	213.94
CIL Hqrs.	248.36	299.15	336.45

Total	3851.16	3989.41	4197.27

(d) The statement given in the answer to part (c) of the question shows that there is a steady reduction in TA/DA expenditure during 1999-2000. This reduction has been made possible on account of strict control exercised by the companies over such expenditure. The reduction in expenditure to the extent of Rs.346.11 lakhs (4197.27-3851.16) in 1999-2000 as compared to the expenditure in 1997-98 is significant in view of the persistent inflationary pressures.